To: The Point Board
From: Kelly Teevan KRWT
Re: My recommendations on Point achieving its potential
Date: March 20, 1992

In the midst of Point's current shifting of gears, at the suggestion of several people, I attempt in this piece to make my contribution to the process of shaping Point's future.

Our situation strikes me as similar to one recently in the SF Chronicle, (March 18, 1992):

> Macklin [retiring executive at Hambrecht & Quist] is credited with helping impose order on a young firm that had outgrown Hambrecht's entrepreneurial management style. "He developed some management processes that made us more of an institution, rather than an artists' colony," Hambrecht said. "He made committees and lines of authority really work and brought everyone together as a team."

Artists' colonies, I suspect, don't pay medical benefits. The Point staff wants medical benefits (and then some) *and* to make art. You don't get both benefits *and* art without really focussing on how you do it. That's what Point needs to do.

Point is poised for great opportunity. The world around it is in a transition, the likes of which occurs every 200 or 300 years (1492, 1776, 2000). Every organization needs to redefine itself. Some organizations will make the transition, and some, despite assets and momentum, will not. At stake for Point is whether it will recognize and take advantage of the transition period to emerge stronger and more effective to play an influential role for decades to come. Or, will it be treated as an artists' colony--to bloom for a season and die.

Yes, there is great opportunity here. On the supposition of shared good will, generally shared objectives, and a perhaps generally shared recognition of the strengths and weaknesses inherent in Point, this is how I see it, in three parts:

Part 1: The challenges facing Point

Part 2: Setting priorities and testing commitment

Part 3: Can a leopard change its spots?

Part 1: The challenges facing Point

Point's critical challenge resides at the Board level. The Board faces three major challenges:

1- to evolve from an ill-defined "ideas" Board to a more clearly defined, more hands-on, effective Board that works in partnership with the staff to state and achieve Point's goals.

2- within the more active role just described, to create an organizational framework to allow entrepreneurial ventures to bloom alongside the evolving management of the much more mature business operation of Whole Earth Review.

3- to create an environment of genuine respect for individuals on the staff and Board, wherein people are acknowledged, recognized and thanked--rather than abused--when delivering what the organization has asked of them. (I address this topic in a separate memo, in response to Stewart's request that I help prioritize steps Point can take with respect to the staff, to improve compensation and the work environment.)

Point has never successfully addressed the second challenge above--or even recognized the challenge in those terms--, and success in its new direction depends on success in this structural matter of putting new alongside maturing. Put another way, the time when the magazine's finances and staff could serve as shock absorber for other activities is history.

In the present situation, Stewart is providing the entrepreneurial drive for a new direction; it's up to the rest of the Board to require that this issue of structure and other "how to" issues be addressed. Otherwise, Point will leap back to where it was two years ago, when the staff realized Point's dysfunctionality--but this time with a staff whose hopes have been raised and dashed yet one time more.

The Board must realize that the staff is wise enough to perceive the threat, to its daily welfare and financial stability, that hangs in the balance here. The staff needs to see commitment to its future; otherwise, it will see this move simply as self-serving--and probably insensitive--on the part of its backers. To express it in monetary terms, the staff will be very skeptical if the Board rises to the occasion and finds funds for "new projects" but does nothing either to promote the welfare of the staff or to promote the health of the magazine, the economic and cultural engine of the organization.

Part 2: Setting priorities and testing commitment

I suggest that the Board use the following means, based on the corollary to "talk is cheap," for setting priorities and testing commitment to those priorities: (1) the establishment of various **objectives** and (2) the use of **measures**, whereby the organization can evaluate whether it is getting what it sought out of this new deal. Otherwise, at times like these, rhetoric can carry the day but fail miserably to deliver.

I suggest the following objectives and measures. They echo those I am hearing at the office and should be coordinated with those devised by the staff, by Jon, and by Board members to achieve a sound, integrated plan. Please note that these measures, while necessary, are not sufficient to ensure achievement of the three above-stated challenges for the Board. These measures, rather, help get Point out of the woods it now finds itself in.

OBJECTIVE 1: a plan

There should be a plan, created by all affected parties, for the next 12 months, which clearly enunciates what is expected to happen, so that Board members (current and new), staff, and the Executive Director candidate all know what they are signing on for. (The collection of parties is "a team," and it needs to "huddle" to know "the game plan.")

MEASURES

•Jon McIntire should meet with the staff before the job is offered to him, and the staff should communicate directly with the Board on his candidacy and plans.
•Each staff department (editorial, production and business) should sign off on Jon's candidacy and on the plan.
•The plan should take the form of a budget, with specific responsibilities for raising specific amounts for specific needs. (Simply having enough money to go several months should be seen as the short-sighted and risky measure it is. While Point is scraping by now, it is stable and is poised for growth, and that shouldn't be sacrificed.)

OBJECTIVE 2: an active Board

Stewart's assertion of authority implies responsibility; likewise for the Board. Hence, Stewart and the Board must become much more involved.

MEASURES

•Measurement here may seem difficult. But the plan described in Objective 1 announces what Stewart and other Board members have signed on to to, and it's a simple matter to see if results are forthcoming. The Board and staff should review progress at Board meetings quarterly, beginning in June (Sept., Dec., etc.).
•The addition of two new outside Board members, within three months, performing specific responsibilities, would be evidence of increased Board involvement.
•An active Board needs to organize itself--with officers and specific responsibilities--if it is to get work done. Decisions in this regard would be evidence of a more active Board. (I have given my ideas on "how to" to the Board and various Board members over the past four months.)

OBJECTIVE 3: better communication

Increased communication between the Board and the staff.

MEASURES

•Two Board members should be designated as responsible for Board/staff communication; they should meet for a face-to-face check-in at least monthly with two designated staff representatives (besides the Executive Director and the Editor, who demonstrably already communicate with the Board).
•There should be a meeting of the full Board with the full staff by April 30, to serve as a basis for team building and forward momentum.
•A Board/staff retreat in the second quarter would show intent to communicate better.

OBJECTIVE 4: staff welfare

Staff welfare should be addressed as an integral part of any move forward.

MEASURES

•The Board and staff should set a compensation policy, whereby Point's overall compensation level is tied to the organization's mission (e.g., if you want the best performance in your field, you have to be prepared to pay for it; if you'll accept middling performance, you can pay appropriately for that, too.). A policy should be stated as a basis for ensuing compensation decisions.

•Approximately $40,000 should be raised and directed in 1992 to minimal improvements in staff compensation and working conditions. Keith has prepared a proposal on this, and it should be addressed.
•An Operations Committee of the Board should be created, of two or three members, to focus on the environment in which the staff works, recognizing that good systems reduce the stress associated with operating in a group environment (especially systems for decision-making, planning and review, personnel matters, and internal communications). The attention that staff gets from this Committee will go a long way toward making staff feel better about working at Point. The Committee will also keep abreast of operational plans and performance, for reporting to and evaluation by the Board.

OBJECTIVE 5: central role of *WER*

The central role of WER to Point should be maintained; and its health should not be threatened by new ventures. There can be a healthy WER **and** a venture environment, but it will take time and structural thinking to succeed in this regard.

MEASURES

•The Board and staff should work together to raise about $50,000 in 1992 in no-interest loans for growth of WER circulation (The staff has some leads on this but will probably need some muscle.). This can serve as the acid test of on-going commitment to the future of the magazine.
•Funds from WER should not be syphoned off to promote other activities.
(•An alternative is to accord to WER the same status of "up and running" that is accorded to the WELL and spin off WER.)

OBJECTIVE 6: sufficient funding

All pieces of the plan should be fully funded; this is a component of the planning described in Objective 1, but it is worth breaking it out for emphasis. If the money isn't there, people lack the support needed to perform.

MEASURES

•Jon will place a price on his needs.
•Raise $40,000 for staff compensation and working condition measures (Objective 4).
•Raise $50,000 in loans for increasing WER circulation and profitability (Objective 5).

OBJECTIVE 7: pay attention to the WELL

Point needs to manage thoughtfully its ownership interest in the WELL. Developing assets and ignoring them serves no one.

MEASURES

•The Board should assign at least one Point Board member with sufficient time and interest and technical and financial expertise to represent Point's ownership (working with Rosewood Stone Group) and to represent Point on the WELL Board.
•The Board should develop a view on its long-range objectives for the WELL.
•In 1992, the Board should, with RSG, develop a long-range plan for the WELL.

The above list of objectives may be incomplete or slanted, but the principle is sound: the way to test commitment to a new direction is by examining results.

Part 3: Can a leopard change its spots?

This section is the most subjective--and the most practically important--of this piece. If I express it poorly, I apologize. If I am wrong in my assessment, I can perhaps be forgiven. If I am too direct, but generally on the money, I feel no apology is in order. With Point's effectiveness at stake, I don't feel I can honestly err on the side of being politic at the cost of getting a potentially useful message across.

Point is in a classic "founder syndrome" situation. Point can choose to operate with the organizational compromises the founder-dominated situation embodies, or it can decide to become a functional, effective, sustainable *organization*. I'll assume for now that Point wants to emerge sustainable in this new deal. In my view, one of two things has to happen. Both presume change.

Either Stewart has to change his spots and become interested and skillful in areas of historic weakness--i.e., how the finances will work; how to commit to and stick to a plan in a team context; how to regard, develop and look after staff; how to foster open communication; how to structure an organization for success.

Or, the Board has to recognize that Stewart's strengths--charisma, conceptualization, contacts, contrariness, creativity, credibility, curiosity--come packaged with certain weaknesses, and that the Board has to change its own spots to complement and harness the founder's strengths. This means making a fundamental shift in the balance of power away from the founder's traditional dominance toward a one-person/one-real-vote Board structure, in which the Board can, whenever needed, say "yes, but..." or "no" or to the founder. It means agreeing to change the rules. Then the challenges in Part 1 (above) and all the kinds of objectives listed in Part 2 are within reach.

So, without going into the practical details at this time, for Point to succeed, the choice is:

- Either an individual (the founder) changes some fundamental characteristics of his personality;

- Or the Board, a potentially fluid collection of individuals, changes its power relationship with the founder, and constructs functional decision-making, implementation and review systems that operate (largely) independently of any single personality's preferences.

Stewart is probably looking to the Board to change from its role as "ideas Board" and thereby help create the future he's seeing; and the Board is probably looking to Stewart to change. If a change does indeed occur, which is the more likely of the two? From my study of human nature, I'd say it's easier for the Board to change its spots.

If the Board does change and asserts itself, then the Board and staff should define and take responsibility for Point's mission. Stewart should be empowered to do well what he does well--and not to do other things. The Board should dispassionately evaluate what's needed and implement structural and procedural measures designed to promote success. And it should conduct a regular evaluation of whether it's doing its job and whether Point is doing its job. If the Board does not institute such measures, then anyone at any time can, without warning, be subject to the kind of personal violation I have experienced here. Is that the kind of place the Board really wants Point to be?

Conclusion

My job at Point has been as change agent. Organizational change doesn't come easily, isn't welcome, and doesn't feel overwhelmingly good when it's happening. I still advocate change.

Point has been engaged in a brave experiment during the past two years--brave and new enough that the experiment has all but been called off. We have experimented in introducing new values into a value-driven organization. We have covered ground never before trodden at Point: the stuff of how-do-we-go-about-our-daily-business has been the daily cutting edge for Point staff for two years. Like cutting-edge stuff, some of it has found fertile ground, and some has not.

There is still a lot of change called for if Point is to become a functional, sustainable, effective, creative organization. I have stated here some broad challenges and have recommended some specific objectives and measures which can help move Point in that direction. The ball is in the Board's court.

If the Board, Stewart, the staff, and Jon McIntire cook up a plan that works for all involved, then Point has unlimited potential and some glory days ahead. I encourage that outcome. I could then view my role as a useful element in the mix, forcing organizational issues to be addressed in an organization struggling to grow up.

If, however, the various players don't get working as a team, then I'll know I've simply wasted my time.

Point Board, it's up to you.